



CITY COUNCIL AGENDA REPORT

MEETING DATE: January 5, 2004

ITEM NUMBER:

SUBJECT: ROADWAY REHABILITATION OF 17TH STREET FROM WEST OF SUPERIOR AVENUE TO PLACENTIA AVENUE (PROJECT A) AND FROM FULLERTON AVENUE TO ORANGE AVENUE (PROJECT B) - FEDERAL PROJECT NOS. STPL-5312 (047) AND (043), CITY PROJECT NO. 03-24

DATE: DECEMBER 19, 2003

FROM: PUBLIC SERVICES DEPARTMENT/ENGINEERING DIVISION

PRESENTATION BY: WILLIAM J. MORRIS/DIRECTOR OF PUBLIC SERVICES

FOR FURTHER INFORMATION CONTACT: ERNESTO MUNOZ, CITY ENGINEER, (714) 754-5343

RECOMMENDATION:

1. Award a construction contract to All American Asphalt, P. O. Box 2229, Corona, CA 92878-2229, in the amount of \$1,009,610.22 (base bid plus all additive bid items).
2. Authorize the Mayor and the Deputy City Clerk to execute the Public Works Agreement.

BACKGROUND:

The Public Services Department actively pursues grant sources from federal, state, and local sources. The pavement rehabilitation of 17th Street west of Superior Avenue to Placentia Avenue (Project A) has been approved for Community Development Block Grant (CDBG) funding. This program is a federal funding source administered by the City's Housing and Community Development Division. This grant funds 50 percent of all eligible expenditures associated with the pavement rehabilitation of this section of 17th Street.

In addition, both Project A and the pavement rehabilitation of 17th Street from Fullerton Avenue to Orange Avenue (Project B) were approved by the Orange County Transportation Authority (OCTA) for Arterial Highway Rehabilitation Program (AHRP) funding. AHRP is a federal program that will reimburse approximately 50 percent of the eligible design and construction costs for Project A, and approximately 45 percent of the eligible design and construction costs for Project B.

These sections of 17th Street were built more than 40 years ago. Regular maintenance and repairs have extended the street service life beyond the design life of 20 years; however, the pavement has deteriorated to a point that it needs to be removed and reconstructed in accordance with the design standards for the existing and anticipated traffic volumes.

The project scope of work will consist of the complete removal of the existing roadway; construction of a full-depth asphalt concrete pavement section; construction of a new Asphalt Rubber Hot Mix (ARHM) roadway driving surface; construction of new concrete bus pads; reconstruction of damaged curb and gutter; placement of new traffic striping and markings; and all other work necessary for the completion of the project.

ANALYSIS:

On October 27, 2003, the Deputy City Clerk received and opened six bids for the project. All American Asphalt was the apparent low bidder with a total base bid proposal of \$953,048.22. The Engineer's estimate was \$1,212,531; and the average of the six bids received amounted to \$1,094,418.22. The Bid Abstract is included herein as "Attachment 1."

An analysis of the bids indicates that the low bidder submitted a base bid proposal that is 21 percent lower than the Engineer's estimate; however, the average of the base bids received is only 9.7 percent lower than the Engineer's estimate. The low bidder is aware that their costs are 21 percent lower than the Engineer's estimate and is prepared to perform the work as required by the contract documents. They have submitted the bonds and insurance documents necessary for the award and subsequent execution of the contract.

In addition to the base bid, the bid solicitation also included additive bid items for the reconstruction of sidewalk and driveway approaches; construction of a 24-inch reinforced concrete pipe; and project management. It was intended that the additive bid items would be added to the contract if sufficient funding was available. The apparent low bidder's total for the base bid plus all additive items was \$1,009,610.22. The Engineer's estimate for the base bid plus both additive bid items was \$1,288,111. Since the amount of the base bid plus all additive items is within the budgeted amount, staff recommends the award of the contract to include all the items listed.

The license and references of All American Asphalt were checked and staff has found them to be in good standing. All American Asphalt has successfully completed various projects for the City in the past few years including the rehabilitation of Whittier Avenue (17th Street to 19th Street); Paularino Avenue (Bristol Street to Newport Boulevard); Baker Street (Bristol Street to Newport Frontage Road and Harbor Boulevard to McClintock Way); and Fairview Road (Wilson Street to Newport Boulevard).

ALTERNATIVES CONSIDERED:

The alternative to this Council action would be to reject all the bids. If all the bids are rejected, the City would have to readvertise or cancel the project. Staff believes that readvertising the project will not result in lower bids.

FISCAL REVIEW:

Funding for 50 percent of all eligible expenditures for Project A is available from a Community Development Block Grant (CDBG). In addition, an Arterial Highway Rehabilitation Program (AHRP) grant will reimburse the City for the remaining 50 percent of the costs.

Funding for the City's share of Project B is available from Measure "M" funds. A federal grant will reimburse the City for approximately 45 percent of the eligible items of work.

The purchase requisition for this expenditure (Attachment 2) has been approved by the Finance Department acknowledging the availability of the funds.

LEGAL REVIEW:

All American Asphalt has furnished the necessary bonds and insurance, which have been approved as to form by the City Attorney's office. After the award and subsequent execution of the contract, a "Notice to Proceed" will be issued.

CONCLUSION:

It is recommended that the City Council award the contract to All American Asphalt in the amount of \$1,009,610.22; and authorize the Mayor and the Deputy City Clerk to execute the Public Works Agreement.

ERNESTO MUNOZ
City Engineer

WILLIAM J. MORRIS
Director of Public Services

MARC R. PUCKETT
Director of Finance

DISTRIBUTION: City Manager
Acting City Attorney
Deputy City Clerk
Staff
File

ATTACHMENTS: "1" [Bid Abstract](#)
"2" [Purchase Requisition](#)

